

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF GEORGIA  
SAVANNAH DIVISION

JESSICA HODGES, et al.	)	
	)	
Plaintiffs,	)	
	)	Case Number: 4:22-cv-00067-WTM-CLR
vs.	)	
	)	
CHATHAM COUNTY, GEORGIA, et al.	)	
	)	
Defendants.	)	

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EXHIBIT 1

# EXHIBIT “G”

UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF LOUISIANA

MARIA OLGA ZAVALA  
Plaintiff

CIVIL DOCKET NO.  
3:17-CV-00656-JWD-EWD

VERSUS

JUDGE: John W. deGravelles

CITY OF BATON ROUGE/PARISH  
EAST BATON ROUGE, ET AL  
Defendants

MAG: Erin Wilder-Doomes

(30) (b) (6) DEPOSITION OF CORRECTHEALTH  
EAST BATON ROUGE, LLC and CORRECTHEALTH, through  
it's designated representative, CARLO MUSSO,  
M.D., and also CARLO MUSSO, M.D., individually,  
in the above-entitled cause, pursuant to the  
following stipulation, before Raynel E. Schule,  
Certified Shorthand Reporter in and for the  
State of Louisiana, at the Law Offices of  
Messrs. Wanek, Kirsch, Davies, LLC, 1340 Poydras  
Street, Suite 2000, New Orleans, Louisiana,  
70112, commencing at 1:00 o'clock p.m., on  
Monday, the 30th day of September, 2019.

1 A. Yes.

2 Q. Do you have a hundred-percent ownership in  
3 CorrectHealth?

4 A. Yes.

5 Q. Have you ever always had a hundred-percent  
6 ownership in CorrectHealth?

7 A. Yes.

8 Q. Did Georgia Correctional Health change its  
9 name to CorrectHealth or was a new  
10 corporate entity formed somewhere along the  
11 way?

12 A. Changed its name.

13 Q. When did that occur?

14 A. Somewhere between 2003 and 2005 maybe. I  
15 don't know exactly when, but it was three  
16 to four, maybe five years after we started  
17 Georgia Correctional Health.

18 Q. CorrectHealth is a Georgia corporation. Is  
19 that correct?

20 A. Yes.

21 Q. It's not incorporated in any other state?

22 A. No.

23 Q. What states is CorrectHealth licensed to do  
24 business in?

25 A. Georgia and Louisiana.

1 Q. Has CorrectHealth done business in any  
2 other states from October of 2000 to  
3 present than Georgia and Louisiana?

4 A. We briefly operated in Kentucky and  
5 Tennessee.

6 Q. When was that?

7 A. I don't know when we started, but it would  
8 have been around 2010 maybe through 2015.

9 Q. Which of the two states, Kentucky or  
10 Tennessee are we referring to now?

11 A. Both of them.

12 Q. Okay. So let me just be very specific with  
13 my question. When was CorrectHealth doing  
14 business in Kentucky?

15 A. Around 2010 to 2000 maybe '16, '15, '16.

16 Q. What about Tennessee?

17 A. About the same, maybe through -- maybe  
18 through '17.

19 Q. Why does CorrectHealth no longer do  
20 business in Kentucky?

21 A. Our business in both of those states were  
22 primarily very small jails, and it became a  
23 challenge for us to be successful there  
24 from a business perspective, and so the few  
25 contracts we had there at various points in

1 renewal, we just chose to not renew and --  
2 and exit those states.

3 Q. What was challenging from a business  
4 perspective about conducting or having  
5 contracts in Kentucky and Tennessee?

6 A. They were just too small to support enough  
7 of our corporate -- the corporate and  
8 company time to -- to manage them, and it  
9 just wasn't -- and it wasn't worth our  
10 while to continue them there. There were  
11 other companies that were providing  
12 services to smaller jails, and we could  
13 never develop enough economies of scale to  
14 be successful. So it was just a pure  
15 business decision.

16 Q. And when you say, "a pure business  
17 decision," I mean, I take it to mean that  
18 you weren't making enough money off of  
19 those contracts to make it worth your while  
20 to continue there, correct?

21 A. Correct, we weren't supporting corporate  
22 overhead so.

23 Q. Were you actually losing money on those  
24 contracts?

25 A. I don't know. They were not supporting the

1 corporate overhead.

2 Q. What does it mean to be -- unpack that  
3 phrase for me, "were not supporting the  
4 corporate overhead." What does that mean?

5 A. That means, you know, just like this  
6 office, you know, there's -- there's rent  
7 and utilities to pay and salaries to pay  
8 for, and each -- each facility needs to pay  
9 its share of -- of that rent and salaries,  
10 and we were not able to do that in those  
11 two states, and so we exited the states.

12 Q. So CorrectHealth is -- is headquartered in  
13 Buckhead, correct?

14 A. In Atlanta, yes.

15 Q. Okay, but specifically in Buckhead, right?

16 A. It is.

17 Q. The 3300 block of Peachtree Street?

18 A. Peachtree Road.

19 Q. I had dinner at St. Cecelia's last night.  
20 How far was I from corporate headquarters?

21 A. Not far. Pretty close.

22 Q. And so you're saying that -- that each  
23 facility is supposed to carry a certain  
24 amount of the cost of the --

25 A. Huh-huh.

1 Q. -- of the corporate headquarters there in  
2 Buckhead?

3 A. Huh-huh.

4 Q. Is that a yes?

5 A. Yes.

6 Q. And that these facilities in Kentucky and  
7 Tennessee just weren't pulling their  
8 weight?

9 A. That -- that's a fair statement.

10 Q. And so you elected not to continue to hold  
11 those contracts?

12 A. That is correct.

13 Q. How many people work at the corporate  
14 headquarters in Buckhead?

15 A. About 20, 20 to 25 maybe.

16 Q. I want to get some sort of an idea from you  
17 of the corporate structure.

18 A. Sure.

19 Q. Perhaps it's easiest to work from the top,  
20 which I gather would be you --

21 A. Yeah.

22 Q. -- and then on down, correct?

23 MR. KIRSCH:

24 And -- and let's be clear because  
25 we're doing a combined depo.

1 MR. CLAIBORNE:

2 Right.

3 MR. KIRSCH:

4 I'm assuming when you talk about  
5 CorrectHealth EBR, you're going to say  
6 EBR, because otherwise when you're  
7 asking for corporate structure --

8 MR. CLAIBORNE:

9 Thank you.

10 MR. WANEK:

11 -- I don't want to get this mixed  
12 up.

13 MR. CLAIBORNE:

14 Sure.

15 MR. KIRSCH:

16 Right now you've been talking to  
17 him as an individual --

18 MR. CLAIBORNE:

19 Talking about --

20 MR. KIRSCH:

21 -- talking about CorrectHealth in  
22 Georgia and things in that regard, and  
23 so I want to make sure it's clear that  
24 when we start going into the other  
25 companies. I'm not objecting a lot

1           just because --

2           MR. CLAIBORNE:

3           No, I understand.

4           MR. KIRSCH:

5           -- you're doing the individual,  
6           and I appreciate you doing them both at  
7           the same time, but I think we're going  
8           to have be clear what corporate  
9           structure you're talking about, so on  
10          and so forth.

11       BY MR. CLAIBORNE:

12       Q.    Well, why don't we start with CorrectHealth  
13           EBR, and then we'll shift to CorrectHealth  
14           generally. When was CorrectHealth EBR, and  
15           by that I mean CorrectHealth East Baton  
16           Rouge, LLC --

17       A.    Huh-huh.

18       Q.    -- when was that entity formed?

19       A.    I think towards the end of 2016. I don't  
20           know exactly when, but the end of 2016,  
21           possibly January of 2017, but it would have  
22           been right around the beginning of our  
23           services in Baton Rouge.

24       Q.    And why was that company created?

25       A.    For the purposes of providing services to

1           Baton Rouge.

2           Q.    Why couldn't that have just been done by  
3                CorrectHealth? Why was a new company  
4                needed?

5           A.    That's the organizational structure, the  
6                contracts that we sign in facilities are  
7                operated in LLCs for that contract.

8           Q.    So CorrectHealth provides services also in,  
9                say, Chatham County, Georgia, correct?

10          A.    Yes.

11          Q.    Is there a separate LLC that is called  
12                CorrectHealth Chatham County, LLC or  
13                something of the like?

14          A.    There is.

15          Q.    So for each and every contract that  
16                CorrectHealth holds, a separate LLC is  
17                created? I want to just get an idea of how  
18                this works.

19          A.    That is correct with few exceptions to  
20                that.

21          Q.    Who owns CorrectHealth East Baton Rouge,  
22                LLC?

23          A.    A corporation called Triage Holding.

24          Q.    All right. Let me ask you this question,  
25                is there any corporate entity underneath

1 CorrectHealth EBR or that's owned by  
2 CorrectHealth EBR?

3 A. No, there's not.

4 Q. So if I start at CorrectHealth EBR and go  
5 up, I'm not going to miss anything,  
6 correct?

7 A. No.

8 Q. All right. So CorrectHealth EBR, let's  
9 call it CEBR, is owned by Triage?

10 A. Yes.

11 Q. And what's Triage's full name again?

12 A. Triage Holding, Inc. It's a S Corp.

13 Q. And who owns Triage Holding, Inc.?

14 A. I do.

15 Q. So that's just straight over to Carlo  
16 Musso?

17 A. Well, there is a trust involved between --  
18 I am the trustee and beneficiary of the  
19 trust.

20 Q. What's the name of the trust?

21 A. You would ask me that. Musso Triage 2016  
22 Trust I think is the name. I may be off a  
23 little bit.

24 Q. All right. It sounds like it's something  
25 close we can -- we can keep working through

1 and if there's any clarification --

2 A. Yes.

3 Q. -- needed, I -- certainly your attorney --

4 A. I'm pretty sure that's -- that's the name  
5 of our trust.

6 Q. Okay, and you are both the beneficiary and  
7 the settlor of that trust?

8 A. I am the trust -- trustee and the  
9 beneficiary, yes.

10 Q. You are the one who created the trust?

11 A. I am.

12 Q. Georgia trusts are funny like that. You  
13 can be the settlor and beneficiary of the  
14 trust. Is there any entity that owns Musso  
15 Triage 2016 Trust?

16 A. (Witness shakes head.)

17 Q. No?

18 A. No. No.

19 Q. How does CorrectHealth fit in if at all  
20 with Musso Triage 2016 Trust?

21 A. What do you mean CorrectHealth?

22 Q. Well, where on this chart if I go from  
23 CorrectHealth EBR up to Triage Holding, and  
24 then Triage Holding goes over to Musso  
25 Triage 2016 Trust, what is CorrectHealth

1 owned by or where -- where does it go on  
2 this chart?

3 A. CorrectHealth is a family of companies that  
4 is -- that are all owned by Triage Holding.

5 Q. So does CorrectHealth fit in between Triage  
6 Holding and CorrectHealth EBR or is it just  
7 a sister company to CorrectHealth EBR?

8 A. CorrectHealth is a family of companies.  
9 It's a group of companies.

10 Q. Okay. Well, I'll --

11 A. All owned by Triage Holding.

12 Q. All right. Well, I just put CorrectHealth  
13 over here, and now tell me all the names --

14 A. There's no CorrectHealth Inc. if that's  
15 what you're getting at. So there's no --  
16 Triage Holding would be the parent company  
17 for all the CorrectHealth companies, and  
18 each contract is held within a different  
19 CorrectHealth company.

20 Q. So CorrectHealth Chatham County would also  
21 go directly underneath Triage Holding,  
22 correct?

23 A. That is correct, yes.

24 Q. As would the other contracts that are held  
25 -- that are held by CorrectHealth in

1 different LLCs?

2 A. That is -- that is correct.

3 Q. Does CorrectHealth directly hold any  
4 contracts with any facilities?

5 A. It would be in a subsidiary -- it would be  
6 CorrectHealth -- it would be a subsidiary  
7 of Triage Holding. It would CorrectHealth,  
8 and then typically the county, the name of  
9 the county following CorrectHealth is -- is  
10 the conformity that we adopted.

11 MR. CLAIBORNE:

12 Okay. Let's go off the record a  
13 few seconds.

14 (Off the record.)

15 BY MR. CLAIBORNE:

16 Q. Does Triage Holding, Incorporated own  
17 CorrectHealth?

18 A. CorrectHealth, LLC, is --

19 Q. Yes.

20 A. -- is that the question?

21 Q. Yes.

22 A. Yes.

23 Q. And CorrectHealth --

24 A. Triage Holdings is -- owns CorrectHealth,  
25 LLC.

1 Q. What are the assets of CorrectHealth, LLC?

2 A. CorrectHealth LLC, oh, gosh, I'd have to --

3 I'd have to get a list of assets.

4 CorrectHealth, LLC has assets primarily in

5 our office in Atlanta. That would be a

6 generalization. The assets, like, the

7 furniture and computers and software and

8 assets in -- in our office in Atlanta are

9 contained in CorrectHealth, LLC.

10 Q. Who is employed by CorrectHealth, LLC?

11 A. Most of the employees in CorrectHealth that

12 work for all the CorrectHealth entities are

13 employed by CorrectHealth, LLC.

14 Q. Is that the 20 to 25 people in Buckhead or

15 is it more than that that are employed by

16 CorrectHealth, LLC?

17 A. More than that.

18 Q. Who works for --

19 A. Let me make it easy for you.

20 CorrectHealth, LCC contracts with

21 CorrectHealth East Baton Rouge to provide

22 the employees of -- to provide the

23 employees that work at the jail through a

24 servicing agreement, okay, or an employee

25 leasing agreement if you will, if you

1 understand what I mean by that.

2 Q. So if there were 20 LPNs that were working  
3 at the Baton Rouge facility, they're  
4 actually employees of CorrectHealth, LLC?

5 A. That is correct.

6 Q. And then CorrectHealth EBR pays  
7 CorrectHealth, LLC for those employees?

8 A. That is correct.

9 Q. Does CorrectHealth East Baton Rouge employ  
10 anyone?

11 A. No.

12 Q. So CorrectHealth East Baton Rouge takes in  
13 money from the Parish of East Baton Rouge,  
14 correct?

15 A. Yes.

16 Q. And then that money is used, some of it to  
17 pay employees that are -- or to pay  
18 CorrectHealth for employees that are  
19 employed by CorrectHealth, LLC?

20 A. Yes.

21 Q. Okay. So let's get it at from this  
22 direction then. The money that comes into  
23 Correct -- CorrectHealth East Baton Rouge,  
24 I want to know the different places that it  
25 goes. One of the streams of that money

1 goes to CorrectHealth, LLC for employees,  
2 correct?

3 A. Huh-huh, that is, yes.

4 Q. Okay. Where else does money go from  
5 CorrectHealth East Baton Rouge, LLC?

6 A. To Triage Holding. There's only two places  
7 it can go, those two places.

8 Q. Well, it could go to a third-party vendor  
9 like a pharmacy to pay for the drugs or  
10 something like that?

11 A. It could, yes, but it does not.

12 Q. So money goes to CorrectHealth, LLC and to  
13 Triage Holding, and that's it out of  
14 CorrectHealth East Baton Rouge, LLC?

15 A. Most of the money gets swept up into  
16 CorrectHealth to be used on behalf of East  
17 -- CorrectHealth East Baton Rouge to  
18 provide the services of the contract.

19 Q. So how do we determine what money goes to  
20 Triage versus what money goes to  
21 CorrectHealth, LLC?

22 A. Well, you've got to be more specific in  
23 your question. I don't -- I don't know  
24 exactly what you're asking.

25 Q. Well, how do you -- how do you determine

1       whether a dollar is going to be transferred  
2       to CorrectHealth, LLC versus transferred to  
3       Triage Holding?

4       A.    The money is -- is -- is -- is -- is swept  
5       into CorrectHealth, LLC to be utilized for  
6       the services in CorrectHealth East Baton  
7       Rouge, unless it's not needed and stays in  
8       CorrectHealth East Baton Rouge.

9       Q.    And is it then the profit that goes up to  
10       Triage Holding?

11       A.    If could be, yes.

12       Q.    It could be?

13       A.    It could -- it could stay in the -- it  
14       could stay in the sub, subsidiary company,  
15       which would be CorrectHealth East Baton  
16       Rouge or it could be taken as profit into  
17       Triage Holding.

18       Q.    Are a hundred percent of the dollars that  
19       are moved from CorrectHealth East Baton  
20       Rouge to Triage Holding profit dollars or  
21       is money ever transferred to Triage LL --  
22       Triage Holding for any other purpose from  
23       CorrectHealth East Baton Rouge?

24       A.    It could be.

25       Q.    Has it ever been?

1 A. I don't know the answer to that.

2 Q. Well, what would it be if it were not  
3 profit, and it were transferred to Triage  
4 Holding?

5 A. An unusual expense for example.

6 Q. Like what?

7 A. Something unusual that's not part of the  
8 ordinary course of activity, and if I had  
9 to guess, a piece of equipment or some  
10 software we needed or some other unusual  
11 expense. I don't know the -- how to answer  
12 that other than an unusual expense. Most  
13 of the common, usual, and ordinary budgeted  
14 expenses are paid for through  
15 CorrectHealth, LLC on behalf of  
16 CorrectHealth East Baton Rouge.

17 Q. Does CorrectHealth, LLC ever transfer money  
18 up to Triage Holding?

19 A. Yes.

20 Q. And what dollars are transferred up from  
21 CorrectHealth, LLC to Triage Holding?

22 A. Profit and/or other expenses that Triage  
23 would have.

24 Q. Like what?

25 A. Or CorrectHealth would have.

1 Q. Like -- like what for those other expenses?  
2 I understand profit. What are the other  
3 expenses we're talking about?

4 A. Triage does have employees, and  
5 CorrectHealth would pay the expenses of  
6 some of those employees via our management  
7 fee -- a management fee agreement.

8 Q. Who are the employees of Triage Holding?

9 A. It has about 15 or 20 or so employees of  
10 Triage Holding.

11 Q. Who are they? What do they do?

12 A. I am an employee of Triage Holding. There  
13 are corporate personnel that are employed  
14 by Triage Holding that provide services for  
15 all of CorrectHealth companies.

16 Q. Is that the folks that are employed in  
17 Buckhead?

18 A. Some of them.

19 Q. Who has control over moving funds or  
20 authorizing the movement of funds from  
21 CorrectHealth East Baton Rouge up to Triage  
22 Holding? Are you the one who makes that  
23 decision?

24 A. Can be.

25 Q. So you have that authority?

1 A. I do.

2 Q. Who else has that authority, if anybody?

3 A. Anybody in our Finance Department would  
4 have.

5 Q. Okay. Who's -- who's that? Who's employed  
6 in the Finance Department?

7 A. It could be someone in Treasury Services or  
8 accounting.

9 Q. How many individuals are we talking about?

10 A. Maybe three.

11 Q. What are their names and job titles?

12 A. Sure. Joseph Jumca.

13 Q. Spell that last name for me.

14 A. J-u-m-c-a; Aaron Minnifield, he's Director  
15 of Operations and is over finance. It  
16 would be those two, and maybe one or the  
17 other accountants, but they would do it in  
18 concert with Joseph and myself and/or  
19 Aaron.

20 Q. Is it accurate to say that you are aware of  
21 all of the transfers that have moved --  
22 where money has moved from CorrectHealth  
23 East Baton Rouge up to Triage Holding from  
24 January 1 of 2017 to present? You've been  
25 aware of them as they've occurred?

1 A. I would say yes.

2 Q. What unusual expenses --

3 A. Maybe not every specific transfer, but  
4 certainly in summary.

5 Q. What unusual expenses or non-profit  
6 expenses or transfers have occurred from  
7 CorrectHealth East Baton Rouge to Triage  
8 Holding from January 1 of '17 to present?

9 A. I'd have to -- I'd have to research it. I  
10 don't -- I don't have one off the top of my  
11 head that comes up that would not be paid  
12 for by CorrectHealth through our servicing  
13 agreement between CorrectHealth and  
14 CorrectHealth East Baton Rouge. That --  
15 that agreement accounts for the majority of  
16 all the expenses that occur in  
17 CorrectHealth East Baton Rouge in that --  
18 in that agreement.

19 Q. And what does that agreement between  
20 CorrectHealth East Baton Rouge and  
21 CorrectHealth, LLC, what is it -- is it  
22 written?

23 A. Yes.

24 Q. What does it say?

25 A. It is a servicing agreement that lists the

1 services that CorrectHealth, LLC will  
2 provide on behalf of CorrectHealth East  
3 Baton Rouge.

4 Q. Such as?

5 A. Such as employee payroll expenses,  
6 accounting, HR services.

7 Q. Does the money that's spent on supplies,  
8 pharmaceuticals, other items such as that  
9 that are used in East Baton Rouge Parish  
10 Prison paid for by CorrectHealth, LLC?

11 A. Yes.

12 Q. Are there any expenses that are paid by  
13 CorrectHealth East Baton Rouge, LLC on  
14 behalf of the East Baton Rouge Parish  
15 Prison that do not go through  
16 CorrectHealth, LLC?

17 A. It would be very unusual, but I would -- I  
18 don't know if it's one hundred percent all  
19 of them, but I would say close.

20 Q. Can you think of any expense to run or to  
21 provide medical services at the East Baton  
22 Rouge Parish Prison that has been paid  
23 directly by CorrectHealth East Baton Rouge  
24 from January 1 of 2017, to present?

25 A. Without looking in a check registry or --

1 I'd -- I'd have to research that. I can't  
2 think of one, but there could have been  
3 one.

4 Q. But as we sit here right now, you cannot  
5 think of a single one?

6 A. No.

7 Q. Other than the 15 or so employees that we  
8 were discussing, what are the expenses of  
9 Triage Holding, Incorporated?

10 A. Triage owns some software that would --  
11 that is used in CorrectHealth. Triage pays  
12 the lease on that office. So that would be  
13 another example of an expense that Triage  
14 has and owns.

15 Q. Do you or any company affiliated with you  
16 own the office space?

17 A. No.

18 Q. That's a totally separate third party?

19 A. Yes, we lease -- we lease that -- we lease  
20 that space.

21 Q. From whom?

22 A. Ooh, Lincoln Property something or other.  
23 That's our landlord.

24 Q. Does any member of your family or any close  
25 associate of yours have any ownership

1 interest in Lincoln?

2 A. No.

3 Q. Okay. So we've got employees, software,  
4 rent that are paid by Triage Holding,  
5 Incorporated, correct?

6 A. Maybe some supplies, costs that Triage  
7 would have. Those are the big ones.

8 Q. And if Triage has a profit at the end of  
9 the year, it gets transferred over to the  
10 Musso Triage 2016 Trust?

11 A. It can.

12 Q. You are one of the 15 employees of Triage  
13 Holding, Incorporated?

14 A. Yes.

15 Q. So another thing that could happen to that  
16 money would be that it would be paid to you  
17 as an employee of Triage Holding,  
18 Incorporated, that profit?

19 A. No.

20 Q. Do you draw a salary from Triage Holding,  
21 Incorporated?

22 A. I do.

23 Q. Does the profit of Triage Holding,  
24 Incorporated go anywhere else other than to  
25 the Musso Triage 2016 Trust?

1 A. No.

2 Q. And you're the sole beneficiary of the  
3 Musso 2016 Trust?

4 A. Yes.

5 Q. I'll ask this question broadly, and if your  
6 attorney doesn't like the way that I've  
7 asked it, he and I can wrestle around with  
8 a better way to ask it. I'm just going to  
9 try to be a little bit broad here and  
10 simply ask, is there anyone that owns,  
11 ultimately owns any of these corporate  
12 entities that we've talked about or share  
13 any of these corporate entities we've  
14 talked about other than Carlo Musso or do  
15 you basically own all of these entities  
16 that we've been talking about?

17 MR. KIRSCH:

18 And I'm going to object to form  
19 because he has already testified about  
20 the structure and which companies own  
21 which. I think -- from my perspective,  
22 I think that would kind of  
23 mischaracterize.

24 MR. CLAIBORNE:

25 I'm just trying to figure out if